

Facility Name & ID Number Alden Terrace of McHenry Rehabilitation

0040691 Report Period Beginning: 1/1/09 Ending: 12/31/09

III. STATISTICAL DATA

A. Licensure/certification level(s) of care; enter number of beds/bed days, (must agree with license). Date of change in licensed beds _____

	1	2	3	4	
	Beds at Beginning of Report Period	Licensure Level of Care	Beds at End of Report Period	Licensed Bed Days During Report Period	
1	316	Skilled (SNF)	316	115,340	1
2		Skilled Pediatric (SNF/PED)			2
3		Intermediate (ICF)			3
4		Intermediate/DD			4
5		Sheltered Care (SC)			5
6		ICF/DD 16 or Less			6
7	316	TOTALS	316	115,340	7

B. Census-For the entire report period.

	1 Level of Care	2 Patient Days by Level of Care and Primary Source of Payment				
		3 Medicaid Recipient	4 Private Pay	5 Other	6 Total	
8	SNF	4,470	1,388	9,613	15,471	8
9	SNF/PED					9
10	ICF	46,303	4,697	429	51,429	10
11	ICF/DD					11
12	SC					12
13	DD 16 OR LESS					13
14	TOTALS	50,773	6,085	10,042	66,900	14

C. Percent Occupancy. (Column 5, line 14 divided by total licensed bed days on line 7, column 4.) 58.00%

D. How many bed-hold days during this year were paid by the Department? None (Do not include bed-hold days in Section B.)

E. List all services provided by your facility for non-patients. (E.g., day care, "meals on wheels", outpatient therapy)
None

F. Does the facility maintain a daily midnight census? Yes

G. Do pages 3 & 4 include expenses for services or investments not directly related to patient care?
YES NO

H. Does the BALANCE SHEET (page 17) reflect any non-care assets?
YES NO

I. On what date did you start providing long term care at this location?
Date started 03/01/95

J. Was the facility purchased or leased after January 1, 1978?
YES Date 03/01/95 NO

K. Was the facility certified for Medicare during the reporting year?
YES NO If YES, enter number of beds certified _____ and days of care provided 5,377

Medicare Intermediary National Government Services, Inc.

IV. ACCOUNTING BASIS

ACCRAUAL MODIFIED CASH* CASH*

Is your fiscal year identical to your tax year? YES NO

Tax Year: 12/31/09 Fiscal Year: 12/31/09

* All facilities other than governmental must report on the accrual basis.

Facility Name & ID Number Alden Terrace of McHenry Rehabilitation # 0040691 Report Period Beginning: 1/1/09 Ending: 12/31/09

V. COST CENTER EXPENSES (throughout the report, please round to the nearest dollar)

	Operating Expenses	Costs Per General Ledger				Reclass-ification 5	Reclassified Total 6	Adjust-ments 7	Adjusted Total 8	FOR BHF USE ONLY	
		Salary/Wage 1	Supplies 2	Other 3	Total 4					9	10
	A. General Services										
1	Dietary	283,154	42,081	10,800	336,035	454	336,489	6,800	343,289		1
2	Food Purchase		492,838		492,838	(44,064)	448,774	(15,335)	433,439		2
3	Housekeeping	203,725	56,607		260,332	1,677	262,009	5,940	267,949		3
4	Laundry	81,644	38,463		120,107	324	120,431		120,431		4
5	Heat and Other Utilities			252,746	252,746		252,746	2,829	255,575		5
6	Maintenance	40,071		198,268	238,339	(131)	238,208	45,057	283,265		6
7	Other (specify):* Related Party							7,823	7,823		7
8	TOTAL General Services	608,594	629,989	461,814	1,700,397	(41,740)	1,658,657	53,114	1,711,771		8
	B. Health Care and Programs										
9	Medical Director										9
10	Nursing and Medical Records	3,572,150	280,737	32,300	3,885,187	(63,369)	3,821,818	67,061	3,888,879		10
10a	Therapy	80,220	370	7,834	88,424		88,424		88,424		10a
11	Activities	199,134	16,423	4,438	219,995	90	220,085		220,085		11
12	Social Services	64,969		6,542	71,511		71,511		71,511		12
13	CNA Training										13
14	Program Transportation										14
15	Other (specify):* Related Party							10,472	10,472		15
16	TOTAL Health Care and Programs	3,916,473	297,530	51,114	4,265,117	(63,279)	4,201,838	77,533	4,279,371		16
	C. General Administration										
17	Administrative	117,802			117,802		117,802	128,825	246,627		17
18	Directors Fees										18
19	Professional Services			827,539	827,539	(18,594)	808,945	(743,566)	65,379		19
20	Dues, Fees, Subscriptions & Promotions			89,476	89,476		89,476	(73,877)	15,599		20
21	Clerical & General Office Expenses	189,663	37,408	64,688	291,759	525	292,284	327,045	619,329		21
22	Employee Benefits & Payroll Taxes			639,854	639,854	36,500	676,354	(6,576)	669,778		22
23	Inservice Training & Education										23
24	Travel and Seminar			5,113	5,113		5,113	4,248	9,361		24
25	Other Admin. Staff Transportation			5,051	5,051		5,051	15,521	20,572		25
26	Insurance-Prop.Liab.Malpractice			353,734	353,734		353,734	218	353,952		26
27	Other (specify):* Bad Debt/Related party			17,506	17,506		17,506	56,186	73,692		27
28	TOTAL General Administration	307,465	37,408	2,002,961	2,347,834	18,431	2,366,265	(291,977)	2,074,288		28
29	TOTAL Operating Expense (sum of lines 8, 16 & 28)	4,832,532	964,927	2,515,889	8,313,348	(86,588)	8,226,760	(161,330)	8,065,430		29

*Attach a schedule if more than one type of cost is included on this line, or if the total exceeds \$1000.

NOTE: Include a separate schedule detailing the reclassifications made in column 5. Be sure to include a detailed explanation of each reclassification.

Facility Name & ID Number Alden Terrace of McHenry Rehabilitation #0040691 Report Period Beginning: 1/1/09 Ending: 12/31/09

V. COST CENTER EXPENSES (continued)

	Capital Expense	Cost Per General Ledger				Reclass-ification	Reclassified Total	Adjust-ments	Adjusted Total	FOR BHF USE ONLY		
		Salary/Wage	Supplies	Other	Total					9	10	
	D. Ownership	1	2	3	4	5	6	7	8			
30	Depreciation			123,212	123,212		123,212	(9,230)	113,982			30
31	Amortization of Pre-Op. & Org.											31
32	Interest			127,175	127,175		127,175	(48,888)	78,287			32
33	Real Estate Taxes			272,513	272,513		272,513	7,166	279,679			33
34	Rent-Facility & Grounds			1,653,619	1,653,619		1,653,619		1,653,619			34
35	Rent-Equipment & Vehicles			9,558	9,558		9,558	51,854	61,412			35
36	Other (specify):*											36
37	TOTAL Ownership			2,186,077	2,186,077		2,186,077	902	2,186,979			37
	Ancillary Expense											
	E. Special Cost Centers											
38	Medically Necessary Transportation											38
39	Ancillary Service Centers		387,688	457,921	845,609	86,588	932,197	32,876	965,073			39
40	Barber and Beauty Shops											40
41	Coffee and Gift Shops											41
42	Provider Participation Fee			173,010	173,010		173,010		173,010			42
43	Other (specify):*											43
44	TOTAL Special Cost Centers		387,688	630,931	1,018,619	86,588	1,105,207	32,876	1,138,083			44
45	GRAND TOTAL COST (sum of lines 29, 37 & 44)	4,832,532	1,352,615	5,332,897	11,518,044		11,518,044	(127,552)	11,390,492			45

*Attach a schedule if more than one type of cost is included on this line, or if the total exceeds \$1000.

Report Period Beginning: 1/1/2009
 Report Period Ending: 12/31/2009

<u>From Line</u>	<u>To Line</u>	<u>Amount</u>	<u>Description</u>
2	22	(44,064.42) 44,064.42	Employee Meals Employee Meals
22	10	(7,564.00) 4,625.00	Uniforms Uniforms
	1	454.00	Uniforms
	3	1,677.00	Uniforms
	4	324.00	Uniforms
	6	139.00	Uniforms
	11	90.00	Uniforms
	21	255.00	Uniforms
10	39	(86,587.76) 86,587.76	Oxygen - to appropriate cost center Oxygen - to appropriate cost center
21	6	270.04 (270.04)	Vendor Settlements Vendor Settlements (Cyber Fire Protection)
<u>Others, if any:</u>			
19	10	(18,593.69) 18,593.69	Clinical Coordinators (Pathway Billing) Clinical Coordinators (Pathway Billing)
Net		-	

Alden Terrace of McHenry RehabilitationID# 0040691Report Period Beginning: 1/1/09Ending: 12/31/09

NON-ALLOWABLE EXPENSES		Amount	Sch. V Line Reference	
1	Late fees on utilities	\$ (788)	5	1
2	Intercompany interest not allowed	(118,800)	32	2
3				3
4	Misc Income (Med Records)	(994)	21	4
5	Misc Income (Jury Duty)	(422)	21	5
6	Marketing Manager & Aides (GL#6701-100-009)	(49,667)	21	6
7	Employee Benefit for Marketing Manager	(6,576)	22	7
8	Back out 30% PAC Fees from standard IHCA bills	(3,643)	20	8
9	Deming Leadership Training Adjustment 0.31%	(775)	24	9
10	Back out Mchenry County of Chamber Commerce	(585)	20	10
11				11
12	Ungaretti & Harris - add back credit posted prior year for	398	19	12
13				13
14	Reduce deprec exp on Pg 13 items under \$2500	(8,879)	30	14
15	Reduce deprec exp on Pg 12 items under \$2500	(4,183)	30	15
16	Expense capital items < \$2500 on Pg 13 items	15,067	6	16
17	Expense capital items < \$2500 on Pg 12 items	7,940	6	17
18	Expense Related Party items < \$2,500 on PG 13 items	516	6	18
19	Expense Pg 12 items < \$2,500 Related party	270	6	19
20	Correct YTD Depreciation	(368)	30	20
21	Adj for ABC related party profit - Page 12 prior year	(21)	30	21
22	Adj for ABC related party profit - Page 12	(10)	30	22
23				23
24				24
25				25
26				26
27				27
28				28
29				29
30				30
31				31
32				32
33				33
34				34
35				35
36				36
37				37
38				38
39				39
40				40
41				41
42				42
43				43
44				44
45				45
46				46
47				47
48				48
49	Total	(171,521)		49

STATE OF ILLINOIS

Summary A

Facility Name & ID Number Alden Terrace of McHenry Rehabilitation

0040691

Report Period Beginning:

1/1/09

Ending:

12/31/09

SUMMARY OF PAGES 5, 5A, 6, 6A, 6B, 6C, 6D, 6E, 6F, 6G, 6H AND 6I

	Operating Expenses	PAGES	PAGE	PAGE	PAGE	PAGE	PAGE	PAGE	PAGE	PAGE	PAGE	PAGE	SUMMARY	
	A. General Services	5 & 5A	6	6A	6B	6C	6D	6E	6F	6G	6H	6I	TOTALS	
													(to Sch V, col.7)	
1	Dietary	0	0	8,042	(1,242)	0	0	0	0	0	0	0	6,800	1
2	Food Purchase	(1,567)	0	0	(13,768)	0	0	0	0	0	0	0	(15,335)	2
3	Housekeeping	0	0	5,940	0	0	0	0	0	0	0	0	5,940	3
4	Laundry	0	0	0	0	0	0	0	0	0	0	0	0	4
5	Heat and Other Utilities	(788)	0	3,617	0	0	0	0	0	0	0	0	2,829	5
6	Maintenance	23,793	0	21,701	0	0	0	(437)	0	0	0	0	45,057	6
7	Other (specify):*	0	0	7,823	0	0	0	0	0	0	0	0	7,823	7
8	TOTAL General Services	21,438	0	47,123	(15,010)	0	0	(437)	0	0	0	0	53,114	8
	B. Health Care and Programs													
9	Medical Director	0	0	0	0	0	0	0	0	0	0	0	0	9
10	Nursing and Medical Records	0	0	63,010	1,195	2,856	0	0	0	0	0	0	67,061	10
10a	Therapy	0	0	0	0	0	0	0	0	0	0	0	0	10a
11	Activities	0	0	0	0	0	0	0	0	0	0	0	0	11
12	Social Services	0	0	0	0	0	0	0	0	0	0	0	0	12
13	CNA Training	0	0	0	0	0	0	0	0	0	0	0	0	13
14	Program Transportation	0	0	0	0	0	0	0	0	0	0	0	0	14
15	Other (specify):*	0	0	10,472	0	0	0	0	0	0	0	0	10,472	15
16	TOTAL Health Care and Programs	0	0	73,482	1,195	2,856	0	0	0	0	0	0	77,533	16
	C. General Administration													
17	Administrative	0	0	128,825	0	0	0	0	0	0	0	0	128,825	17
18	Directors Fees	0	0	0	0	0	0	0	0	0	0	0	0	18
19	Professional Services	(19,623)	0	(723,943)	0	0	0	0	0	0	0	0	(743,566)	19
20	Fees, Subscriptions & Promotions	(40,102)	0	(33,775)	0	0	0	0	0	0	0	0	(73,877)	20
21	Clerical & General Office Expenses	(51,094)	0	337,733	11,526	28,880	0	0	0	0	0	0	327,045	21
22	Employee Benefits & Payroll Taxes	(6,576)	0	0	0	0	0	0	0	0	0	0	(6,576)	22
23	Inservice Training & Education	0	0	0	0	0	0	0	0	0	0	0	0	23
24	Travel and Seminar	(775)	0	5,023	0	0	0	0	0	0	0	0	4,248	24
25	Other Admin. Staff Transportation	0	0	15,521	0	0	0	0	0	0	0	0	15,521	25
26	Insurance-Prop.Liab.Malpractice	0	0	218	0	0	0	0	0	0	0	0	218	26
27	Other (specify):*	(17,506)	0	69,777	1,926	1,989	0	0	0	0	0	0	56,186	27
28	TOTAL General Administration	(135,677)	0	(200,621)	13,452	30,869	0	0	0	0	0	0	(291,977)	28
29	TOTAL Operating Expense (sum of lines 8,16 & 28)	(114,239)	0	(80,016)	(363)	33,725	0	(437)	0	0	0	0	(161,330)	29

STATE OF ILLINOIS

Summary B

Facility Name & ID Number Alden Terrace of McHenry Rehabilitation

0040691

Report Period Beginning:

1/1/09

Ending:

12/31/09

SUMMARY OF PAGES 5, 5A, 6, 6A, 6B, 6C, 6D, 6E, 6F, 6G, 6H AND 6I

	Capital Expense	PAGES 5 & 5A	PAGE 6	PAGE 6A	PAGE 6B	PAGE 6C	PAGE 6D	PAGE 6E	PAGE 6F	PAGE 6G	PAGE 6H	PAGE 6I	SUMMARY TOTALS (to Sch V, col.7)	
	D. Ownership													
30	Depreciation	(13,460)	0	2,864	0	1,366	0	0	0	0	0	0	(9,230)	30
31	Amortization of Pre-Op. & Org.	0	0	0	0	0	0	0	0	0	0	0	0	31
32	Interest	(137,328)	0	87,038	0	1,402	0	0	0	0	0	0	(48,888)	32
33	Real Estate Taxes	0	0	6,876	0	290	0	0	0	0	0	0	7,166	33
34	Rent-Facility & Grounds	0	0	0	0	0	0	0	0	0	0	0	0	34
35	Rent-Equipment & Vehicles	0	0	51,854	0	0	0	0	0	0	0	0	51,854	35
36	Other (specify):*	0	0	0	0	0	0	0	0	0	0	0	0	36
37	TOTAL Ownership	(150,788)	0	148,632	0	3,058	0	0	0	0	0	0	902	37
	Ancillary Expense													
	E. Special Cost Centers													
38	Medically Necessary Transportation	0	0	0	0	0	0	0	0	0	0	0	0	38
39	Ancillary Service Centers	0	0	0	(17,335)	(33,346)	83,557	0	0	0	0	0	32,876	39
40	Barber and Beauty Shops	0	0	0	0	0	0	0	0	0	0	0	0	40
41	Coffee and Gift Shops	0	0	0	0	0	0	0	0	0	0	0	0	41
42	Provider Participation Fee	0	0	0	0	0	0	0	0	0	0	0	0	42
43	Other (specify):*	0	0	0	0	0	0	0	0	0	0	0	0	43
44	TOTAL Special Cost Centers	0	0	0	(17,335)	(33,346)	83,557	0	0	0	0	0	32,876	44
	GRAND TOTAL COST													
45	(sum of lines 29, 37 & 44)	(265,027)	0	68,616	(17,698)	3,437	83,557	(437)	0	0	0	0	(127,552)	45

VII. RELATED PARTIES

A. Enter below the names of ALL owners and related organizations (parties) as defined in the instructions. Attach an additional schedule if necessary.

1 OWNERS		2 RELATED NURSING HOMES		3 OTHER RELATED BUSINESS ENTITIES		
Name	Ownership %	Name	City	Name	City	Type of Business
The Alden Group, Ltd.	100%	See Pg 6K		See Pg 6K		

B. Are any costs included in this report which are a result of transactions with related organizations? This includes rent, management fees, purchase of supplies, and so forth. YES NO

If yes, costs incurred as a result of transactions with related organizations must be fully itemized in accordance with the instructions for determining costs as specified for this form.

1	2	3 Cost Per General Ledger	4	5 Cost to Related Organization	6	7	8 Difference: Adjustments for Related Organization Costs (7 minus 4)	
Schedule V	Line	Item	Amount	Name of Related Organization	Percent of Ownership	Operating Cost of Related Organization		
1	V		\$		0.00%	\$	\$	0
2	V							2
3	V							3
4	V							4
5	V							5
6	V							6
7	V							7
8	V							8
9	V							9
10	V							10
11	V							11
12	V							12
13	V							13
14	Total		\$			\$	\$ *	0

* Total must agree with the amount recorded on line 34 of Schedule VI.

VII. RELATED PARTIES (continued)

B. Are any costs included in this report which are a result of transactions with related organizations? This includes rent, management fees, purchase of supplies, and so forth. YES NO

If yes, costs incurred as a result of transactions with related organizations must be fully itemized in accordance with the instructions for determining costs as specified for this form.

1	2	3 Cost Per General Ledger	4	5 Cost to Related Organization	6	7	8 Difference:
Schedule V	Line	Item	Amount	Name of Related Organization	Percent of Ownership	Operating Cost of Related Organization	Adjustments for Related Organization Costs (7 minus 4)
15	V	5 Utilities	\$	Alden Management Services, Inc.	0.00%	\$ 3,617	\$ 3,617 15
16	V	24 Trav & Seminar		Alden Management Services, Inc.		5,023	5,023 16
17	V	25 Other Admin Travel		Alden Management Services, Inc.		15,521	15,521 17
18	V	26 Insurance		Alden Management Services, Inc.		218	218 18
19	V	20 Dues & Subscriptions	34,512	Alden Management Services, Inc.		737	(33,775) 19
20	V	30 Depreciation		Alden Management Services, Inc.		2,864	2,864 20
21	V	33 Real Estate Tax		Alden Management Services, Inc.		6,876	6,876 21
22	V	35 Rent-Equip & Vehicles		Alden Management Services, Inc.		51,854	51,854 22
23	V	32 Interest		Alden Management Services, Inc.		87,038	87,038 23
24	V	1 Dietary		Alden Management Services, Inc.		8,042	8,042 24
25	V	3 Housekeeping		Alden Management Services, Inc.		5,940	5,940 25
26	V	7 Employee Benefits-Gen'l Servs		Alden Management Services, Inc.		7,823	7,823 26
27	V	10 Nurs & Med Records Salary		Alden Management Services, Inc.		63,010	63,010 27
28	V	15 Employee Benefits-Health Care		Alden Management Services, Inc.		10,472	10,472 28
29	V	17 Administrative Salary		Alden Management Services, Inc.		128,825	128,825 29
30	V	27 Employee Benefits-Admin		Alden Management Services, Inc.		69,777	69,777 30
31	V	19 Professional Fees	779,739	Alden Management Services, Inc.		55,796	(723,943) 31
32	V	21 Gen'l & Admin		Alden Management Services, Inc.		337,733	337,733 32
33	V	6 Repair & Maint	26,620	Alden Management Services, Inc.		48,321	21,701 33
34	V						
35	V						
36	V						
37	V						
38	V						
39	Total		\$ 840,871			\$ 909,487	\$ * 68,616 39

* Total must agree with the amount recorded on line 34 of Schedule VI.

VII. RELATED PARTIES (continued)

B. Are any costs included in this report which are a result of transactions with related organizations? This includes rent, management fees, purchase of supplies, and so forth. YES NO

If yes, costs incurred as a result of transactions with related organizations must be fully itemized in accordance with the instructions for determining costs as specified for this form.

1	2	3 Cost Per General Ledger	4	5 Cost to Related Organization	6	7	8 Difference:
Schedule V	Line	Item	Amount	Name of Related Organization	Percent of Ownership	Operating Cost of Related Organization	Adjustments for Related Organization Costs (7 minus 4)
15	V	1 <u>Diet. Consultant</u>	\$ 10,800	<u>Prism Health Care Services, Inc.</u>	0.00%	\$ 2,711	\$ (8,089)
16	V	1 <u>Dietary Salary</u>		<u>Prism Health Care Services, Inc.</u>		6,847	6,847
17	V	2 <u>Tube Feeding</u>	33,373	<u>Prism Health Care Services, Inc.</u>		19,605	(13,768)
18	V	10 <u>Equip Rental</u>	6,660	<u>Prism Health Care Services, Inc.</u>		7,855	1,195
19	V	39 <u>Ancillary Supplies</u>	38,349	<u>Prism Health Care Services, Inc.</u>		21,014	(17,335)
20	V	21 <u>Gen'l & Admin Salary</u>		<u>Prism Health Care Services, Inc.</u>		7,479	7,479
21	V	27 <u>Employee Benefits</u>		<u>Prism Health Care Services, Inc.</u>		1,429	1,429
22	V	27 <u>Employee Benefits</u>		<u>Prism Health Care Services, Inc.</u>		497	497
23	V	21 <u>Gen'l & Admin</u>		<u>Prism Health Care Services, Inc.</u>		4,047	4,047
24	V						
25	V						
26	V						
27	V						
28	V						
29	V						
30	V						
31	V						
32	V						
33	V						
34	V						
35	V						
36	V						
37	V						
38	V						
39	Total		\$ 89,182			\$ 71,484	\$ * (17,698)

* Total must agree with the amount recorded on line 34 of Schedule VI.

VII. RELATED PARTIES (continued)

B. Are any costs included in this report which are a result of transactions with related organizations? This includes rent, management fees, purchase of supplies, and so forth. YES NO

If yes, costs incurred as a result of transactions with related organizations must be fully itemized in accordance with the instructions for determining costs as specified for this form.

1	2	3 Cost Per General Ledger	4	5 Cost to Related Organization	6	7	8 Difference:
Schedule V	Line	Item	Amount	Name of Related Organization	Percent of Ownership	Operating Cost of Related Organization	Adjustments for Related Organization Costs (7 minus 4)
15	V	39 <u>Drugs</u>	\$ 209,292	<u>Forum Extended Care Services II, Inc.</u>	0.00%	\$ 286,954	\$ 77,662
16	V	39 <u>IV</u>	124,649	<u>Forum Extended Care Services II, Inc.</u>		16,444	(108,205)
17	V	39 <u>Wound Care</u>	13,256	<u>Forum Extended Care Services II, Inc.</u>		10,453	(2,803)
18	V	10 <u>House Stock</u>	15,904	<u>Forum Extended Care Services II, Inc.</u>		14,426	(1,478)
19	V	10 <u>Pharmacy Consultant</u>	7,584	<u>Forum Extended Care Services II, Inc.</u>		11,918	4,334
20	V	27 <u>Employee Vaccin.</u>	1,073	<u>Forum Extended Care Services II, Inc.</u>		847	(226)
21	V	27 <u>Employee Benefits: G&A</u>		<u>Forum Extended Care Services II, Inc.</u>		2,215	2,215
22	V	21 <u>Gen'l & Admin. Salary</u>		<u>Forum Extended Care Services II, Inc.</u>		18,415	18,415
23	V	21 <u>Gen'l & Admin</u>		<u>Forum Extended Care Services II, Inc.</u>		10,465	10,465
24	V	32 <u>Interest</u>		<u>Forum Extended Care Services II, Inc.</u>		1,402	1,402
25	V	33 <u>Real Estate Tax</u>		<u>Forum Extended Care Services II, Inc.</u>		290	290
26	V	30 <u>Depreciation</u>		<u>Forum Extended Care Services II, Inc.</u>		1,366	1,366
27	V						
28	V						
29	V						
30	V						
31	V						
32	V						
33	V						
34	V						
35	V						
36	V						
37	V						
38	V						
39	Total		\$ 371,758			\$ 375,195	\$ * 3,437

* Total must agree with the amount recorded on line 34 of Schedule VI.

VII. RELATED PARTIES (continued)

B. Are any costs included in this report which are a result of transactions with related organizations? This includes rent, management fees, purchase of supplies, and so forth. YES NO

If yes, costs incurred as a result of transactions with related organizations must be fully itemized in accordance with the instructions for determining costs as specified for this form.

1	2	3 Cost Per General Ledger	4	5 Cost to Related Organization	6	7	8 Difference:		
Schedule V	Line	Item	Amount	Name of Related Organization	Percent of Ownership	Operating Cost of Related Organization	Adjustments for Related Organization Costs (7 minus 4)		
15	V	39 Therapy	\$ 445,465	Community Physical Therapy & Associates, Ltd.	0.00%	\$ 529,022	\$ 83,557	15	
16	V							16	
17	V							17	
18	V							18	
19	V							19	
20	V							20	
21	V							21	
22	V							22	
23	V							23	
24	V							24	
25	V							25	
26	V							26	
27	V							27	
28	V							28	
29	V							29	
30	V							30	
31	V							31	
32	V							32	
33	V							33	
34	V							34	
35	V							35	
36	V							36	
37	V							37	
38	V							38	
39	Total		\$ 445,465			\$ 529,022	\$ *	83,557	39

* Total must agree with the amount recorded on line 34 of Schedule VI.

VII. RELATED PARTIES (continued)

B. Are any costs included in this report which are a result of transactions with related organizations? This includes rent, management fees, purchase of supplies, and so forth. YES NO

If yes, costs incurred as a result of transactions with related organizations must be fully itemized in accordance with the instructions for determining costs as specified for this form.

1	2	3 Cost Per General Ledger	4	5 Cost to Related Organization	6	7	8 Difference:		
Schedule V	Line	Item	Amount	Name of Related Organization	Percent of Ownership	Operating Cost of Related Organization	Adjustments for Related Organization Costs (7 minus 4)		
15	V	6 Repair & Maintenance	\$ 33,127	Alden Bennett Construction Company, Inc.	0.00%	\$ 32,690	\$	(437)	15
16	V								16
17	V								17
18	V								18
19	V								19
20	V								20
21	V								21
22	V								22
23	V								23
24	V								24
25	V								25
26	V								26
27	V								27
28	V								28
29	V								29
30	V								30
31	V								31
32	V								32
33	V								33
34	V								34
35	V								35
36	V								36
37	V								37
38	V								38
39	Total		\$ 33,127			\$ 32,690	\$ *	(437)	39

* Total must agree with the amount recorded on line 34 of Schedule VI.

Facility Name & ID Number Alden Terrace of McHenry Rehabilitation

Provider No. 0040691

Report Period Beginning:

1/1/09

Ending: 12/31/09

RELATED NURSING HOMES		OTHER RELATED BUSINESS ENTITIES		
Name	City	Name	City	Type of Business
		The Forum Professional Center, LP	Chicago	Home Office rental
Heather Health Care Center, Inc.	Harvey			
Alden-Long Grove Rehabilitation and Health Care Center, Inc.	Long Grove	Forum Extended Care Services II, Inc.	Chicago	Pharmacy
Alden-Lincoln Park Rehabilitation and Health Care Center, Inc.	Chicago	Alden Management Services, Inc.	Chicago	Management
Alden-Northmoor Rehabilitation and Health Care Center, Inc.	Chicago			
Alden-Lakeland Rehabilitation and Health Care Center, Inc.	Chicago			
Alden of Old Town East, Inc.	Bloomingtondale	Alden Garden Courts of DesPlaines, LLC	DesPlaines	Assisted Living/Alzheimers Facility
Alden Terrace of McHenry Rehabilitation and Health Care Center, Inc.	McHenry	Alden Courts of Waterford, LLC	Aurora	Alzheimers Facility
Alden - Wentworth Rehabilitation and Health Care Center, Inc.	Chicago	Alden Gardens of Waterford, LLC	Aurora	Assisted Living
Alden Estates of Naperville, Inc.	Naperville	Prism Health Care Services, Inc.	Schaumburg	Nursing and Durable Equipment
Alden - Valley Ridge Rehabilitation and Health Care Center, Inc.	Bloomingtondale	Community Physical Therapy & Associates, Ltd.	Wood Dale	Therapy Provider
Alden Village Health Facility for Children and Young Adults, Inc.	Bloomingtondale	Alden Bennett Construction Company, Inc.	Chicago	General Contractor
Alden - Orland Park Rehabilitation and Health Care Center, Inc.	Orland Park			
Alden - Princeton Rehabilitation and Health Care Center, Inc.	Chicago			
Alden of Old Town West, Inc.	Bloomingtondale			
Alden - Town Manor Rehabilitation and Health Care Center, Inc.	Cicero			
Alden Trails, Inc.	Bloomingtondale			
Alden - Poplar Creek Rehabilitation and Health Care Center, Inc.	Hoffman Estates			
Alden - North Shore Rehabilitation and Health Care Center, Inc.	Skokie			
Alden - Des Plaines Rehabilitation and Health Care Center, Inc.	Des Plaines			
Alden Estates of Evanston, Inc.	Evanston			
Alden - Alma Nelson Manor, Inc.	Rockford			
Alden - Park Strathmoor, Inc.	Rockford			
Alden - Meadow Park Health Care Center, Inc.	Clinton, WI			
Alden Estates of Barrington, Inc.	Barrington			
Alden of Waterford, LLC	Aurora			
Alden Springs, Inc.	Bloomingtondale			
Alden Village North, Inc.	Chicago			
Alden Estates of Skokie, Inc.	Skokie			

Facility Name & ID Number Alden Terrace of McHenry Rehabilitation # 0040691 Report Period Beginning: 1/1/09 Ending: 12/31/09

VII. RELATED PARTIES (continued)

C. Statement of Compensation and Other Payments to Owners, Relatives and Members of Board of Directors.

NOTE: ALL owners (even those with less than 5% ownership) and their relatives who receive any type of compensation from this home must be listed on this schedule.

	1 Name	2 Title	3 Function	4 Ownership Interest	5 Compensation Received From Other Nursing Homes*	6 Average Hours Per Work Week Devoted to this Facility and % of Total Work Week		7 Compensation Included in Costs for this Reporting Period**		8 Schedule V. Line & Column Reference	
						Hours	Percent	Description	Amount		
1	Floyd A. Schlossberg	President	CEO	100.00	174,871	2.188	5.47	Salary	\$ 10,129	17-7	1
2	Lauren Magnusson	Dir. Of Clinical Servi	Technical Nursing	0.00	64,882	2.188	5.47	Salary	3,758	10-7	2
3	Terry Magnusson	Dir. of Purchasing	Supervise Mainten	0.00	37,356	2.188	5.47	Salary	2,164	6-7	3
4											4
5											5
6											6
7	A. Floyd Schlossberg is the President and sole stockholder of Alden Management Services, Inc.										7
8	B. Lauren Magnusson is the daughter of Floyd Schlossberg. Lauren is the Director of Clinical Services and provides technical support for the entire nursing staff.										8
9	C. Terry Magnusson is the son-in-law of Floyd Schlossberg. Terry coordinates the purchase of all building maintenance items as well as supervise building engineers.										9
10											10
11											11
12											12
13								TOTAL	\$ 16,051		13

* If the owner(s) of this facility or any other related parties listed above have received compensation from other nursing homes, attach a schedule detailing the name(s) of the home(s) as well as the amount paid. THIS AMOUNT MUST AGREE TO THE AMOUNTS CLAIMED ON THE THE OTHER NURSING HOMES' COST REPORTS.

** This must include all forms of compensation paid by related entities and allocated to Schedule V of this report (i.e., management fees). FAILURE TO PROPERLY COMPLETE THIS SCHEDULE INDICATING ALL FORMS OF COMPENSATION RECEIVED FROM THIS HOME, ALL OTHER NURSING HOMES AND MANAGEMENT COMPANIES MAY RESULT IN THE DISALLOWANCE OF SUCH COMPENSATION

Facility Name & ID Number Alden Terrace of McHenry Rehabilitation

0040691

Report Period Beginning:

1/1/09

Ending: 12/31/09

VIII. ALLOCATION OF INDIRECT COSTS

A. Are there any costs included in this report which were derived from allocations of central office or parent organization costs? (See instructions.) YES NO

B. Show the allocation of costs below. If necessary, please attach worksheets.

Name of Related Organization Alden Management Services, Inc.
 Street Address 4200 W. Peterson
 City / State / Zip Code Chicago, IL 60646
 Phone Number (773) 286-3883
 Fax Number (773) 286-8038

1	2	3	4	5	6	7	8	9	
Schedule V Line Reference	Item	Unit of Allocation (i.e.,Days, Direct Cost, Square Feet)	Total Units	Number of Subunits Being Allocated Among	Total Indirect Cost Being Allocated	Amount of Salary Cost Contained in Column 6	Facility Units	Allocation (col.8/col.4)x col.6	
1	5	Utilities	Patient days	31	\$ 66,061	\$	66,900	\$ 3,617	1
2	24	Trav & Seminar	Patient days	31	91,753		66,900	5,023	2
3	25	Other Admin Travel	Patient days	31	283,487		66,900	15,521	3
4	26	Insurance	Patient days	31	3,990		66,900	218	4
5	20	Dues & Subscriptions	Patient days	31	13,454		66,900	737	5
6	30	Depreciation	No. Of Providers	1	102,169		1	2,864	6
7	33	Real Estate Tax	Patient days	31	139,876		66,900	6,876	7
8	35	Rent-Equip & Vehicles	Patient days	31	947,116		66,900	51,854	8
9	32	Interest	Patient days	31	1,339,694		66,900	87,038	9
10	1	Dietary Salary	Patient days	31	146,892	146,892	66,900	8,042	10
11	3	Housekeeping Salary	Patient days	31	108,487	108,487	66,900	5,940	11
12	7	Employee Benefits-Gen'l Servs	Patient days	31	142,881		66,900	7,823	12
13	10	Nurs & Med Records Salary	Patient days	31	1,259,741	1,259,741	66,900	63,010	13
14	15	Employee Benefits-Health Care	Patient days	31	191,270		66,900	10,472	14
15	17	Administrative Salary	Patient days	31	2,477,865	2,477,865	66,900	128,825	15
16	27	Employee Benefits-Admin	Patient days	31	1,274,479		66,900	69,777	16
17	19	Professional Fees	Patient days	31	1,019,103	624,209	66,900	55,796	17
18	21	Gen'l & Admin	Patient days	31	6,168,666	5,291,904	66,900	337,733	18
19	6	Repair & Maint	Patient days	31	882,577	685,666	66,900	48,321	19
20									20
21									21
22									22
23									23
24									24
25	TOTALS				\$ 16,659,561	\$ 10,594,764		\$ 909,487	25

Facility Name & ID Number Alden Terrace of McHenry Rehabilitation # 0040691 Report Period Beginning: 1/1/09 Ending: 12/31/09

IX. INTEREST EXPENSE AND REAL ESTATE TAX EXPENSE

A. Interest: (Complete details must be provided for each loan - attach a separate schedule if necessary.)

1	2	3	4	5	6	7	8	9	10										
										Related**		Purpose of Loan	Monthly Payment Required	Date of Note	Amount of Note		Maturity Date	Interest Rate (4 Digits)	Reporting Period Interest Expense
										YES	NO				Original	Balance			
A. Directly Facility Related																			
Long-Term																			
1										1									
2										2									
3										3									
4										4									
5	Insurance	X	malpractice insurance						5,879	5									
Working Capital																			
6	Related party-AMS	X	working capital						87,038	6									
7	Related party-FECH	X	working capital						1,402	7									
8										8									
9	TOTAL Facility Related								94,319	9									
B. Non-Facility Related*																			
10	Interest Income								(16,032)	10									
11										11									
12										12									
13										13									
14	TOTAL Non-Facility Related								(16,032)	14									
15	TOTALS (line 9+line14)								78,287	15									

16) Please indicate the total amount of mortgage insurance expense and the location of this expense on Sch. V. \$ _____ Line # _____

* Any interest expense reported in this section should be adjusted out on page 5, line 14 and, consequently, page 4, col. 7. (See instructions.)

** If there is ANY overlap in ownership between the facility and the lender, this must be indicated in column 2. (See instructions.)

Facility Name & ID Number Alden Terrace of McHenry Rehabilitation

0040691

Report Period Beginning:

1/1/09

Ending:

12/31/09

X. BUILDING AND GENERAL INFORMATION:

A. Square Feet: 9,000 B. General Construction Type: Exterior Masonry Frame _____ Number of Stories 3

C. Does the Operating Entity? (a) Own the Facility (b) Rent from a Related Organization. (c) Rent from Completely Unrelated Organization.
 (Facilities checking (a) or (b) must complete Schedule XI. Those checking (c) may complete Schedule XI or Schedule XII-A. See instructions.)

D. Does the Operating Entity? (a) Own the Equipment (b) Rent equipment from a Related Organization. (c) Rent equipment from Completely Unrelated Organization.
 (Facilities checking (a) or (b) must complete Schedule XI-C. Those checking (c) may complete Schedule XI-C or Schedule XII-B. See instructions.)

E. List all other business entities owned by this operating entity or related to the operating entity that are located on or adjacent to this nursing home's grounds (such as, but not limited to, apartments, assisted living facilities, day training facilities, day care, independent living facilities, CNA training facilities, etc.)
 List entity name, type of business, square footage, and number of beds/units available (where applicable).

None

F. Does this cost report reflect any organization or pre-operating costs which are being amortized? YES NO
 If so, please complete the following:

1. Total Amount Incurred: _____ 2. Number of Years Over Which it is Being Amortized: _____
 3. Current Period Amortization: _____ 4. Dates Incurred: _____

Nature of Costs: _____
 (Attach a complete schedule detailing the total amount of organization and pre-operating costs.)

XI. OWNERSHIP COSTS:

A. Land.

	1	2	3	4	
	Use	Square Feet	Year Acquired	Cost	
1				\$	1
2					2
3	TOTALS			\$	3

XI. OWNERSHIP COSTS (continued)

B. Building Depreciation-Including Fixed Equipment. (See instructions.) Round all numbers to nearest dollar.

	1	2	3	4	5	6	7	8	9	
	Beds*	FOR BHF USE ONLY	Year Acquired	Year Constructed	Cost	Current Book Depreciation	Life in Years	Straight Line Depreciation	Adjustments	Accumulated Depreciation
4					\$	\$		\$	\$	4
5										5
6										6
7										7
8		Related Party-Forum	1978		13,669		25			13,669
		Improvement Type**								
9		Climate Service (Ventilation)	1995		1,828	122	15	122		1,778
10		Climate Service (Ventilation)	1995		1,915	128	15	128		1,853
11		Climate Service _Controls	1995		2,885	192	15	192		2,787
12		Climate Service-Controls	1995		1,251	83	15	83		1,208
13		Climate Service (A?C Motors,Transfomer)	1995		1,840	123	15	123		1,770
14		climate Services _Controls	1995		1,200	80	15	80		1,147
15		JD & Sons-Roofing	1995		7,500		10			7,500
16		Grat Lakes Plumbing _Discahrge Pump	1995		3,563	238	15	238		3,407
17		Midwest Wlectrical	1995		3,332		5			3,332
18		Climate Services, Inc.-Ventilation	1995		2,295	153	15	153		2,168
19		CSI-New Pump	1995		1,483		10			1,483
20		Eagle Flag & Banner	1995		680		12			680
21		Equipment International _Repair Dishwasher	1996		1,793		5			1,793
22		JD & Sons-Roofing	1996		7,700		10			7,700
23		ABC_Roof top Condensor	1996		8,668		10			8,668
24		Install Walk in refrigeratror	1997		2,177		5			2,177
25		Install Ceramic Tile	1997		1,535		5			1,535
26		Engine/generator repaired	1997		3,099		5			3,099
27		New Cylinder	1997		12,800		5			12,800
28		Instill new condenser	1997		8,166		5			8,166
29		Install new cylinder	1997		15,300		5			15,300
30		Install Floor tile	1997		4,102		5			4,102
31		HVAC Boiler	1997		5,888		5			5,888
32		Custom wall plates	1997		386		10			386
33		A&B Custom Cable Wall plates	1997		1,918		10			1,918
34										34
35										35
36										36

*Total beds on this schedule must agree with page 2.

**Improvement type must be detailed in order for the cost report to be considered complete

See Page 12A, Line 70 for total

Facility Name & ID Number Alden Terrace of McHenry Rehabilitation

0040691

Report Period Beginning:

1/1/09

Ending:

12/31/09

XI. OWNERSHIP COSTS (continued)

B. Building Depreciation-Including Fixed Equipment. (See instructions.) Round all numbers to nearest dollar.

1	2	3	4	5	6	7	8	9	
	Improvement Type**	Year Constructed	Cost	Current Book Depreciation	Life in Years	Straight Line Depreciation	Adjustments	Accumulated Depreciation	
37	Wigdahl Electric (install new fixtures, relocate outlets)	1998	\$ 1,759	\$	5	\$	\$	\$ 1,759	37
38	Wigdahl Electric (repair lighting, timeclock)	1998	1,853		5			1,853	38
39	Climate Service (repaired boiler)	1998	16,029		10			16,029	39
40	Atash (repair sprinkler system)	1998	1,558		10			1,558	40
41	J.D. & Son (roof repair)	1998	10,000		10			10,000	41
42	CSI (dietary refrigerator)	1998	1,670		10			1,670	42
43	CSI (sump cover)	1998	4,900		10			4,900	43
44	Patten (generator repairs)	1998	3,856	193	20	193		2,202	44
45	CSI (insulate duct on air handler)	1998	2,750	183	15	183		2,076	45
46	CSI (repair air conditioner)	1998	1,698		10			1,698	46
47	CSI (replace gaskets on hot water coil)	1998	3,934	197	20	197		2,198	47
48	North Town Food Service (repair dish machine)	1999	1,861	186	10	186		1,861	48
49	Alden Bennet Construction (tank replacement)	1999	8,649	346	25	346		3,748	49
50	Patten (Fuel Tank Repairs, need invoice)	1999	1,724	172	10	172		1,724	50
51	Chicago Cooling Corp. (repair of unit 5, and inspection)6/99	1999	2,367	237	10	237		2,367	51
52	Climate Service, Inc. (replace 15 ton condenser)	1999	9,374	625	15	625		6,562	52
53	Climate Service, Inc. (replace 10 ton condenser)	1999	7,100	473	15	473		4,968	53
54	Climate Service, Inc. (compressor)	1999	7,466	498	15	498		5,186	54
55	Climate Service, Inc. (vac pump)	1999	1,644	110	15	110		1,135	55
56	Climate Service, Inc. (compressor maintenance)	1999	1,728	115	15	115		1,180	56
57	Capps Plumbing & Sewer (install trap & rodded pipes)	1999	1,835	184	10	184		1,835	57
58	Climate Service, Inc. (tank repair and maintenance)	1999	2,380	95	25	95		959	58
59	Shine Rite Maintenance (refinish tile floors)	1999	4,805	481	10	481		4,805	59
60	Alden Bennet Construction (tile/roofing)	2000	8,214	821	10	821		8,066	60
61	Alden Bennet Construction (tile/roofing)	2000	11,459	1,146	10	1,146		10,696	61
62									62
63									63
64									64
65									65
66									66
67									67
68									68
69									69
70	TOTAL (lines 4 thru 69)		\$ 237,586	\$ 7,181		\$ 7,181	\$	\$ 217,349	70

**Improvement type must be detailed in order for the cost report to be considered complete.

Facility Name & ID Number Alden Terrace of McHenry Rehabilitation

0040691

Report Period Beginning:

1/1/09

Ending:

12/31/09

XI. OWNERSHIP COSTS (continued)

B. Building Depreciation-Including Fixed Equipment. (See instructions.) Round all numbers to nearest dollar.

1	2	3	4	5	6	7	8	9	
	Improvement Type**	Year Constructed	Cost	Current Book Depreciation	Life in Years	Straight Line Depreciation	Adjustments	Accumulated Depreciation	
1	Totals from Page 12A, Carried Forward		\$ 237,586	\$ 7,181		\$ 7,181	\$	\$ 217,349	1
2	Fox Valley Fire & Safety (replace smoke detectors)	2000	3,731	373	10	373		3,637	2
3	CSI Coker Service (repair dishwasher)	2000	3,299	330	10	330		3,217	3
4	Welding Supply Inc (repair alarm system)	2000	2,750	275	10	275		2,658	4
5	Welding Supply Inc (repair alarm system)	2000	6,649	665	10	665		6,428	5
6	System Electric Inc (new controls for oxygen system)	2000	1,785		8			1,785	6
7	GT Mechanical (repair laundry compressor)	2000	2,700	270	10	270		2,565	7
8	CSI Coker Service (repair dishwasher)	2000	1,536	154	10	154		1,461	8
9	Equipment International (repair laundry equipment)	2000	1,670	167	10	167		1,573	9
10	GT Mechanical (repair pneumatic system compressor)	2000	2,431	243	10	243		2,289	10
11	Advanced Parts & Service (repair food processor)	2000	2,026	203	10	203		1,910	11
12	CSI Coker Service (repair boiler)	2000	5,985	599	10	599		5,489	12
13		2000							13
14		2000							14
15	Capps -Plumbing & 2670 (install new bolt flange checkvalve)	2001	1,865	124	15	124		1,117	15
16	Sentry Protection Systems (annual maintenance on the fire alarm)	2001	2,151	143	15	143		1,265	16
17	CSI- Coker Service, 039721	2001	1,523	152	10	152		1,344	17
18	Patten (replace with updated phase monitor)	2001	1,898	190	10	190		1,693	18
19	Rockford Steam (hvac work)	2001	6,562	656	10	656		5,686	19
20									20
21	GT Mechanical (replace compressor)	2001	4,947	330	15	330		2,804	21
22	Alden Bennett Const. (lock install/repair)	2001	2,017	202	10	202		1,750	22
23	GT Mechanical, Inc (replace high pressure switch)	2001	2,516	168	15	168		1,413	23
24	CSI Coker (bldng. Improvement)	2001	1,708	114	15	114		978	24
25	Alden Bennett Const. (invoice to follow)	2001	20,742	2,074	10	2,074		18,321	25
26									26
27									27
28									28
29									29
30									30
31									31
32									32
33									33
34	TOTAL (lines 1 thru 33)		\$ 318,078	\$ 14,613		\$ 14,613	\$	\$ 286,732	34

**Improvement type must be detailed in order for the cost report to be considered complete.

Facility Name & ID Number Alden Terrace of McHenry Rehabilitation

0040691

Report Period Beginning:

1/1/09

Ending:

12/31/09

XI. OWNERSHIP COSTS (continued)

B. Building Depreciation-Including Fixed Equipment. (See instructions.) Round all numbers to nearest dollar.

1	2	3	4	5	6	7	8	9	
	Improvement Type**	Year Constructed	Cost	Current Book Depreciation	Life in Years	Straight Line Depreciation	Adjustments	Accumulated Depreciation	
1	Totals from Page 12B, Carried Forward		\$ 318,078	\$ 14,613		\$ 14,613	\$	\$ 286,732	1
2	EQUINT Equipment International (gas dryer)	2002	3,240	324	10	324		2,349	2
3	AQUSER .REBUILD 2 WATER SOFTNE	2002	2,500	250	10	250		1,813	3
4	ALDBEN Alden Bennett Construct (need invoice)	2002	18,173	1,212	15	1,212		9,695	4
5	ENGSEC Engineered Security Sys	2002	3,091	206	15	206		1,528	5
6	ALDBEN Alden Bennett Construct	2002	25,143	1,676	15	1,676		12,571	6
7	ALDBEN Alden Bennett Construct (building improvement)	2002	3,391	226	15	226		1,733	7
8	TTIRRI T & T Irrigation Inc.(lawn sprinkler system)	2002	15,000	600	25	600		4,550	8
9	PATTEN (replace batteries of radiator & install crank case)	2002	1,517	101	15	101		783	9
10	FEMORA (REPLACED 50 SMOKE DETEC)	2002	8,364	836	10	836		6,550	10
11	FEMORA (REPAIR FIRE ALARM)	2002	3,374	337	10	337		2,669	11
12	GTMECH Gt Mechanical Inc (install new shaft & bearing).	2002	2,216	148	15	148		1,171	12
13	ALDBEN Alden Bennett Construct(install radar,painting & fire d	2002	12,850	857	15	857		6,141	13
14									14
15	Aqua Service-overhaul-water softener units	2002	2,490		5			2,490	15
16	ABC various repairs	2002	54,669	2,733	20	2,733		19,815	16
17	ABC-various reopairs	2002	23,660	1,577	15	1,577		11,302	17
18	Aurora Tri State Fire-smoke detectors	2002	4,322	432	10	432		3,096	18
19	Aurora Tri State Fire-smoke detectors	2002	6,200	620	10	620		4,495	19
20	Aurora Tri State Fire-install alarms	2002	6,559	656	10	656		4,756	20
21	Simplex Grinnell-remove old andsul dry clean unit	2002	2,987	299	10	299		2,117	21
22	A&B Custom Cable-install cable/outlets	2003	4,908	286	10	286		2,002	22
23	GT Mechanical-boiler repair	2003	4,892	489	11	489		3,423	23
24	ABC-receiving door/sensor	2003	6,623	662	10	662		4,634	24
25	ABC-ceiling heaters installed	2003	4,570	457	10	457		3,161	25
26	ABC-aluminum outdoor fencing	2003	5,137	342	15	342		2,340	26
27	Real Green sprinkler maintenance	2003	3,730		5			3,730	27
28	GT Mechanical- HVAC air handler repairs	2003	1,533		5			1,533	28
29	Action Fence Contractor-rail pipe railings	2003	1,875	188	10	188		1,175	29
30									30
31									31
32									32
33									33
34	TOTAL (lines 1 thru 33)		\$ 551,091	\$ 30,127		\$ 30,127	\$	\$ 408,354	34

**Improvement type must be detailed in order for the cost report to be considered complete.

Facility Name & ID Number Alden Terrace of McHenry Rehabilitation

0040691

Report Period Beginning:

1/1/09

Ending:

12/31/09

XI. OWNERSHIP COSTS (continued)

B. Building Depreciation-Including Fixed Equipment. (See instructions.) Round all numbers to nearest dollar.

1	2	3	4	5	6	7	8	9	
	Improvement Type**	Year Constructed	Cost	Current Book Depreciation	Life in Years	Straight Line Depreciation	Adjustments	Accumulated Depreciation	
1	Totals from Page 12C, Carried Forward		\$ 551,091	\$ 30,127		\$ 30,127	\$	\$ 408,354	1
2	Forum Prof Ctr: Remodeling	1979	16,169		20			16,169	2
3	Forum Prof Ctr: Build Improv - multiple	1980	10,322		15			10,322	3
4	Forum Prof Ctr: Tennant Improv	1986	836		13			836	4
5	Forum Prof Ctr: AMS remodel	1990	5,681		10			5,681	5
6	Forum Prof Ctr: Roof	1994	2,997	187	16	187		2,811	6
7	Forum Prof Ctr: Build Improv-multiple	1995	1,057	66	16	66		921	7
8	Forum Prof Ctr: Asphalt/Design/etc.	2000	1,669	152	10	152		1,496	8
9	Forum Prof Ctr: Remodel/electrical	2001	650	36	7	36		543	9
10	Forum Prof Ctr: bathroom remodel	2002	575	54	5	54		427	10
11	Forum Prof Ctr: remodel suites/etc.	2003	739	75	9	75		516	11
12	Forum Prof Ctr: lunchroom/suites remodel/concrete/plaster/etc	2004	2,275	244	7	244		1,765	12
13	Forum Prof Ctr: Suite renovation	2005	460	83	10	83		450	13
14	Forum Prof Ctr: Superior installations, etc.	2006	91	23	4	23		77	14
15	Forum Prof Ctr: Sidewalks/major hvac/Condensor	2007	432	67	7	67		155	15
16	Forum Prof Ctr: Park. Lot/glass/maj hvac	2008	368	64	7	64		87	16
17	Forum Prof Ctr: Maj Hvac/re-stucco bldg	2009	762	15	7	15		15	17
18	Alden Mgt Servs: Remodel suites	1993	5,555		7			5,555	18
19	Alden Mgt Servs: Remodel suites	2002	318	42	7	42		309	19
20	Alden Mgt Servs: Remodel suites	2003	8,987	1,238	7	1,238		8,765	20
21									21
22	Forum Ext Care, LLC-Building	1998	6,067	152	40	152		1,732	22
23	Forum Ext Care, LLC-Build Improv	1999	4,689	117	40	117		1,230	23
24	Forum Extended Care-Maj Eq Repair	2002	31		3			31	24
25	Forum Extended Care-Maj Plumbing Repair	2003	29		3			29	25
26	Forum Extended Care-Compressor	2004	20		3			20	26
27									27
28									28
29									29
30									30
31									31
32									32
33									33
34	TOTAL (lines 1 thru 33)		\$ 621,870	\$ 32,742		\$ 32,742	\$	\$ 468,296	34

**Improvement type must be detailed in order for the cost report to be considered complete.

Facility Name & ID Number Alden Terrace of McHenry Rehabilitation

0040691

Report Period Beginning:

1/1/09

Ending:

12/31/09

XI. OWNERSHIP COSTS (continued)

B. Building Depreciation-Including Fixed Equipment. (See instructions.) Round all numbers to nearest dollar.

1	2	3	4	5	6	7	8	9	
	Improvement Type**	Year Constructed	Cost	Current Book Depreciation	Life in Years	Straight Line Depreciation	Adjustments	Accumulated Depreciation	
1	Totals from Page 12D, Carried Forward		\$ 621,870	\$ 32,742		\$ 32,742	\$	\$ 468,296	1
2	Alden Bennett Const.-Roof repair	2004	16,439	1,644	10	1,644		9,316	2
3	Alden Bennett Const.-Floor repair	2004	2,429	243	10	243		1,377	3
4	Alden Bennett Const.-Roof repair	2004	1,854	185	10	185		1,019	4
5	CSI Coker-install thermostats	2004	1,853	215	5	215		1,853	5
6	GT Mechanical-replace motor pump	2004	1,362	160	5	160		1,362	6
7	Alden Bennett Const. Repair control valves	2004	2,643	351	5	351		2,643	7
8	GT Mechanical-receiver,controller/gauge	2004	2,165	217	10	217		1,139	8
9	Capps Plumbing-repair toilets,dishwasher	2004	1,635	164	10	164		861	9
10	Capps Plumbing-repair/rod main kitchen	2004	4,375	438	10	438		2,299	10
11	Alden Bennett Cons.lock setrs	2004	5,110	937	5	937		5,110	11
12	CSI Coker-replace A/C system	2004	5,103	510	10	510		2,763	12
13	Insinc Tellnet-DSL cable	2004	1,334	133	10	133		787	13
14	Alden Bennett Cons. Bathroom upgrades	2004	10,405	1,041	10	1,041		5,985	14
15	Alden Bennett Cons.-fire exit	2004	6,638	332	20	332		1,854	15
16	Alden Bennett Cons.-fire exit,stairwell,locks	2004	11,234	562	20	562		3,091	16
17	Alden Bennett Cons. Bathroom upgrades	2004	7,281	728	10	728		4,125	17
18	ABC - New window casement	2005	2,820	282	10	282		1,128	18
19	ABC - Time & Material Job# 8020	2005	1,756	176	10	176		880	19
20	GT Mechanical - Boiler repairs (Bearing assembly, Coupler, 3/4 h	2005	2,242	224	10	224		1,102	20
21	ABC - Time & Material Job# 8020	2005	5,676	567	10	567		2,741	21
22	EWS Welding - Equip Repair (Repair Oxygen back up system)	2005	3,429	429	8	429		2,073	22
23	New Horizons - (34) Install Cable/Jacks Connect CO Lines	2005	3,314	331	10	331		1,573	23
24	ABC - Time & Material Job# 8020	2005	19,770	1,977	10	1,977		9,391	24
25	EWS Welding - Equip Repair (Rebuilt wall oxygen units in 4 room	2005	2,317	290	8	290		1,377	25
26	Patten CAT - Paid thru AMS Repair Generator	2005	1,313	66	20	66		308	26
27	GT Mechanical - Replace Compressor	2005	6,460	431	15	431		2,011	27
28	ABC - Time & Material Job# 8020	2005	14,550	1,455	10	1,455		6,669	28
29	GT Mechanical - Condenser Fan Motor, Capacitor 705 mfd, Fan H	2005	2,054	137	15	137		628	29
30	A&B Custom Cable - 103 rms Cable TV Svc and Install master an	2005	10,094	1,009	10	1,009		4,457	30
31	AMS Generator Repairs	2006	5,006	1,001	5	1,001		3,837	31
32	TOPNOT Replace Freezer Door 1 of 2	2006	4,100	410	10	410		1,469	32
33	TOPNOT Replace Freezer Door 2 of 2	2006	4,100	410	10	410		1,469	33
34	TOTAL (lines 1 thru 33)		\$ 792,731	\$ 49,795		\$ 49,795	\$	\$ 554,993	34

**Improvement type must be detailed in order for the cost report to be considered complete.

Facility Name & ID Number Alden Terrace of McHenry Rehabilitation

0040691

Report Period Beginning:

1/1/09

Ending:

12/31/09

XI. OWNERSHIP COSTS (continued)

B. Building Depreciation-Including Fixed Equipment. (See instructions.) Round all numbers to nearest dollar.

1	2	3	4	5	6	7	8	9	
	Improvement Type**	Year Constructed	Cost	Current Book Depreciation	Life in Years	Straight Line Depreciation	Adjustments	Accumulated Depreciation	
1	Totals from Page 12E, Carried Forward		\$ 792,731	\$ 49,795		\$ 49,795	\$	\$ 554,993	1
2	A&B Custom Cable - 33 rms new cable TV Svc installed	2005	3,328	333	10	333		1,471	2
3	AMS - (Patten) Remove/Install Voltage Regulator	2005	2,650	265	10	265		1,148	3
4	A&B Custom Cable - paid by LG	2005	6,250	625	10	625		2,708	4
5	Oak Fire - Repaired System	2005	2,715	272	10	272		1,156	5
6	GTMECH Replace Shaft and Bearings	2006	2,646	265	10	265		927	6
7	MG Mechincal - Heat Pump Mini-split system	2006	4,850	485	10	485		1,576	7
8	ABC - raise floor	2006	2,750	275	10	275		848	8
9	ABC - flooring and paint	2006	2,652	265	10	265		795	9
10	Water Filter Steamer	2007	16,815	1,682	10	1,682		3,784	10
11	New Blacktop Paving and seal coat	2007	66,518	6,652	10	6,652		14,413	11
12	ABC Concrete and steel work-fire protection	2006	20,329	2,033	10	2,033		6,268	12
13	ABC Fire Protection	2006	25,647	1,282	20	1,282		3,846	13
14									14
15	ABC New roof	2008	29,424	2,942	10	2,942		4,168	15
16	GTMECH Repaired boiler2	2008	6,034	603	10	603		653	16
17									17
18	Adj for ABC related party profit	2008	(168)	(14)		(14)		(21)	18
19									19
20	ABC - Renovate for New MI Unit	2009	23,516	1,568	15	1,568		1,568	20
21	ABC - Renovate for New MI Unit	2009	39,557	2,637	15	2,637		2,637	21
22	ABC - Install Sprinkler extension	2009	10,728	358	25	358		358	22
23	ABC - install sprinkler extention due to Life safety code	2009	37,230	993	25	993		993	23
24	ABC - replace damaged sidewalk	2009	7,505	292	15	292		292	24
25	ABC - MI Unit	2009	55,975	1,555	15	1,555		1,555	25
26									26
27	Pattern - Repair generator	2009	2,695	494	5	494		494	27
28	Top Notch - 1 cooler compressor	2009	4,735	263	15	263		263	28
29	Equipment Int'l - Repari washer	2009	3,587	598	5	598		598	29
30	Equipment Int'l - Repari washer	2009	2,519	336	5	336		336	30
31	Top Notch - 1 new booster	2009	5,596	373	10	373		373	31
32									32
33	Adj for ABC related party profit								33
34	TOTAL (lines 1 thru 33)		\$ 1,178,813	\$ 77,226		\$ 77,226	\$	\$ 608,200	34

**Improvement type must be detailed in order for the cost report to be considered complete.

XI. OWNERSHIP COSTS (continued)

B. Building Depreciation-Including Fixed Equipment. (See instructions.) Round all numbers to nearest dollar.

1	Improvement Type**	3 Year Constructed	4 Cost	5 Current Book Depreciation	6 Life in Years	7 Straight Line Depreciation	8 Adjustments	9 Accumulated Depreciation	
1	Totals from Page 12F, Carried Forward		\$ 1,178,813	\$ 77,226		\$ 77,226	\$	\$ 608,200	1
2									2
3	Adj for ABC related party profit	2009	(230)	(10)		(10)		(10)	3
4									4
5									5
6									6
7									7
8									8
9									9
10									10
11									11
12									12
13									13
14									14
15									15
16									16
17									17
18									18
19									19
20									20
21									21
22									22
23									23
24									24
25									25
26									26
27									27
28									28
29									29
30									30
31									31
32									32
33									33
34	TOTAL (lines 1 thru 33)		\$ 1,178,583	\$ 77,216		\$ 77,216	\$	\$ 608,190	34

**Improvement type must be detailed in order for the cost report to be considered complete.

XI. OWNERSHIP COSTS (continued)

C. Equipment Depreciation-Excluding Transportation. (See instructions.)

	Category of Equipment	1 Cost	Current Book Depreciation 2	Straight Line Depreciation 3	4 Adjustments	Component Life 5	Accumulated Depreciation 6	
71	Purchased in Prior Years	\$ 307,691	\$ 31,388	\$ 31,388	\$		\$ 169,664	71
72	Current Year Purchases	64,008	3,036	3,036			3,036	72
73	Fully Depreciated Assets	216,331	2,342	2,342			216,331	73
74								74
75	TOTALS	\$ 588,030	\$ 36,766	\$ 36,766	\$		\$ 389,031	75

D. Vehicle Depreciation (See instructions.)*

	1 Use	Model, Make and Year 2	Year Acquired 3	4 Cost	Current Book Depreciation 5	Straight Line Depreciation 6	7 Adjustments	Life in Years 8	Accumulated Depreciation 9	
76	Related Party - AMS	Various	98-02	\$ 4,415	\$	\$	\$	3	\$ 4,415	76
77										77
78										78
79										79
80	TOTALS			\$ 4,415	\$	\$	\$		\$ 4,415	80

E. Summary of Care-Related Assets

		1 Reference	2 Amount	
81	Total Historical Cost	(line 3, col.4 + line 70, col.4 + line 75, col.1 + line 80, col.4) + (Pages 12B thru 12I, if applicable)	\$ 1,771,028	81
82	Current Book Depreciation	(line 70, col.5 + line 75, col.2 + line 80, col.5) + (Pages 12B thru 12I, if applicable)	\$ 113,982	82
83	Straight Line Depreciation	(line 70, col.7 + line 75, col.3 + line 80, col.6) + (Pages 12B thru 12I, if applicable)	\$ 113,982	83
84	Adjustments	(line 70, col.8 + line 75, col.4 + line 80, col.7) + (Pages 12B thru 12I, if applicable)	\$	84
85	Accumulated Depreciation	(line 70, col.9 + line 75, col.6 + line 80, col.9) + (Pages 12B thru 12I, if applicable)	\$ 1,001,636	85

F. Depreciable Non-Care Assets Included in General Ledger. (See instructions.)

	1 Description & Year Acquired	2 Cost	Current Book Depreciation 3	Accumulated Depreciation 4	
86		\$	\$	\$	86
87					87
88					88
89					89
90					90
91	TOTALS	\$	\$	\$	91

G. Construction-in-Progress

	Description	Cost	
92		\$	92
93			93
94			94
95		\$	95

* Vehicles used to transport residents to & from day training must be recorded in XI-F, not XI-D.

** This must agree with Schedule V line 30, column 8.

XII. RENTAL COSTS

A. Building and Fixed Equipment (See instructions.)

1. Name of Party Holding Lease: T.L Enterprise Inc.

2. Does the facility also pay real estate taxes in addition to rental amount shown below on line 7, column 4?

If NO, see instructions. YES NO

	1 Year Constructed	2 Number of Beds	3 Original Lease Date	4 Rental Amount	5 Total Years of Lease	6 Total Years Renewal Option*	
3	Original Building:			\$ <u>1,653,619</u>			3
4	Additions						4
5							5
6							6
7	TOTAL			\$ <u>1,653,619</u>			7

8. List separately any amortization of lease expense included on page 4, line 34.

This amount was calculated by dividing the total amount to be amortized by the length of the lease _____.

9. Option to Buy: YES NO Terms: 80,000/bed until 2013 *

B. Equipment-Excluding Transportation and Fixed Equipment. (See instructions.)

15. Is Movable equipment rental included in building rental?

YES NO

16. Rental Amount for movable equipment: \$ 17,637 Description: Copy Machine lease & various office equipment

(Attach a schedule detailing the breakdown of movable equipment)

C. Vehicle Rental (See instructions.)

	1 Use	2 Model Year and Make	3 Monthly Lease Payment	4 Rental Expense for this Period	
17	<u>related party- AMS</u>	<u>various</u>	\$ <u>#####</u>	\$ <u>32,374</u>	17
18					18
19	<u>Auto lease GL 6890</u>	<u>various</u>	<u>0.00</u>		19
20					20
21	TOTAL		\$ <u>#####</u>	\$ <u>32,374</u>	21

10. Effective dates of current rental agreement:

Beginning 3/1/1995

Ending 2/28/2013

11. Rent to be paid in future years under the current rental agreement:

Fiscal Year Ending Annual Rent

12. 12/31/2010 \$ 1,653,619

13. 12/31/2011 \$ 1,653,619

14. 12/31/2012 \$ 1,653,619

* If there is an option to buy the building, please provide complete details on attached schedule.

** This amount plus any amortization of lease expense must agree with page 4, line 34.

XIII. EXPENSES RELATING TO CERTIFIED NURSE AIDE (CNA) TRAINING PROGRAMS (See instructions.)

A. TYPE OF TRAINING PROGRAM (If CNAs are trained in another facility program, attach a schedule listing the facility name, address and cost per CNA trained in that facility.)

<p>1. HAVE YOU TRAINED CNAs DURING THIS REPORT PERIOD? <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO</p> <p>If "yes", please complete the remainder of this schedule. If "no", provide an explanation as to why this training was not necessary.</p> <p><u>Skilled nursing on site</u></p>	<p>2. <u>CLASSROOM PORTION:</u></p> <p>IN-HOUSE PROGRAM <input type="checkbox"/></p> <p>IN OTHER FACILITY <input type="checkbox"/></p> <p>COMMUNITY COLLEGE <input type="checkbox"/></p> <p>HOURS PER CNA _____</p>	<p>3. <u>CLINICAL PORTION:</u></p> <p>IN-HOUSE PROGRAM <input type="checkbox"/></p> <p>IN OTHER FACILITY <input type="checkbox"/></p> <p>HOURS PER CNA _____</p>
--	---	--

B. EXPENSES

ALLOCATION OF COSTS (d)

		Facility		3	4
		1	2		
		Drop-outs	Completed	Contract	Total
1	Community College Tuition	\$	\$	\$	\$
2	Books and Supplies				
3	Classroom Wages (a)				
4	Clinical Wages (b)				
5	In-House Trainer Wages (c)				
6	Transportation				
7	Contractual Payments				
8	CNA Competency Tests				
9	TOTALS	\$	\$	\$	\$
10	SUM OF line 9, col. 1 and 2 (e)	\$			

C. CONTRACTUAL INCOME

In the box below record the amount of income your facility received training CNAs from other facilities.

\$ _____

D. NUMBER OF CNAs TRAINED

COMPLETED	
1. From this facility	
2. From other facilities (f)	
DROP-OUTS	
1. From this facility	
2. From other facilities (f)	
TOTAL TRAINED	

- (a) Include wages paid during the classroom portion of training. Do not include fringe benefits.
- (b) Include wages paid during the clinical portion of training. Do not include fringe benefits.
- (c) For in-house training programs only. Do not include fringe benefits.
- (d) Allocate based on if the CNA is from your facility or is being contracted to be trained in your facility. Drop-out costs can only be for costs incurred by your own CNAs.

- (e) The total amount of Drop-out and Completed Costs for your own CNAs must agree with Sch. V, line 13, col. 8.
- (f) Attach a schedule of the facility names and addresses of those facilities for which you trained CNAs.

XIV. SPECIAL SERVICES (Direct Cost) (See instructions.)

	Service	Schedule V Line & Column Reference	Staff		Outside Practitioner (other than consultant)		Supplies (Actual or Allocated)	Total Units (Column 2 + 4)	Total Cost (Col. 3 + 5 + 6)	
			Units of Service	Cost	Units	Cost				
1	Licensed Occupational Therapist	39-3	hrs	\$		\$ 196,686	\$		\$ 196,686	1
2	Licensed Speech and Language Development Therapist	39-3	hrs			34,683			34,683	2
3	Licensed Recreational Therapist		hrs							3
4	Licensed Physical Therapist	39-3	hrs			212,251			212,251	4
5	Physician Care		visits							5
6	Dental Care		visits							6
7	Work Related Program		hrs							7
8	Habilitation		hrs							8
9	Pharmacy	See Pg 16A	# of prescrpts				286,955		286,955	9
10	Psychological Services (Evaluation and Diagnosis/ Behavior Modification)		hrs							10
11	Academic Education		hrs							11
12	Other (specify): <u>Except Care Prgrm</u>	39-1, 39-3, if any								12
13	Other (specify): <u>See Pg 16A</u>					83,556	150,943		234,499	13
14	TOTAL			\$		\$ 527,175	\$ 437,898		\$ 965,073	14

NOTE: This schedule should include fees (other than consultant fees) paid to licensed practitioners. Consultant fees should be detailed on Schedule XVIII-B. Salaries of unlicensed practitioners, such as CNAs, who help with the above activities should not be listed on this schedule.

XIV. Special Services (Direct Cost)

Page 16
 Col 5: PT,OT, & ST
 Col 6: Supplies

Service Description	Col. 1: Ref. No.	To Pg 16: Col. No.	
1. OT	39-3	To Col 5	\$196,685.26
2. ST	39-3	To Col 5	34,682.55
3.			
4. PT	39-3	To Col 5	212,250.54
5.			
6.			
7.			
8.			
Pharmacy Supplies per GL			209,292.38
Manual Input from Related Party- Forum Drugs			77,663.00
9. Total to line 9 Pharmacy	See Pg 16A	To Col 6	286,955.38
10.			
11.			
12. Exceptional Care-Salaries:	See pg 16A	To Col. 3	0.00
12. Exceptional Care-Supplies:	See pg 16A	To Col. 6	0.00
Total Exceptional Care (Line 12, Col 8)			0.00
13. Other:	See Pg 16A		
13. Col 5: Manual Input: Related Party - CPT		To Col 5	83,556.00
Other			192,698.17
Manual Input: Related Party - Prism			(17,335.00)
Manual Input: Related Party FECII - I.V.			(108,205.00)
Manual Input: Related Party FECII - Wound Care			(2,803.00)
Oxygen, from reclass worksheet			86,587.76
13. Col 6: Supplies Total		To Col 6	150,942.93
13. Total Line 13, Column 8			150,942.93
14. Total (should equal to Page 4, LN 39, Col 8)			965,072.66

Facility Name & ID Number Alden Terrace of McHenry Rehabilitation

0040691

Report Period Beginning: 1/1/09

Ending:

12/31/09

XV. BALANCE SHEET - Unrestricted Operating Fund.

As of 12/31/09

(last day of reporting year)

This report must be completed even if financial statements are attached.

		1 Operating	2 After Consolidation*	
A. Current Assets				
1	Cash on Hand and in Banks	\$	\$	1
2	Cash-Patient Deposits			2
3	Accounts & Short-Term Notes Receivable- Patients (less allowance <u>95,000</u>)	1,565,242		3
4	Supply Inventory (priced at)			4
5	Short-Term Investments			5
6	Prepaid Insurance	9,141		6
7	Other Prepaid Expenses	807		7
8	Accounts Receivable (owners or related parties)			8
9	Other(specify): <u>Due from 3rd parties</u>	69,797		9
10	TOTAL Current Assets (sum of lines 1 thru 9)	\$ 1,644,987	\$	10
B. Long-Term Assets				
11	Long-Term Notes Receivable			11
12	Long-Term Investments			12
13	Land			13
14	Buildings, at Historical Cost			14
15	Leasehold Improvements, at Historical Cost	1,251,592		15
16	Equipment, at Historical Cost	570,839		16
17	Accumulated Depreciation (book methods)	(991,319)		17
18	Deferred Charges			18
19	Organization & Pre-Operating Costs			19
20	Accumulated Amortization - Organization & Pre-Operating Costs			20
21	Restricted Funds	182,664		21
22	Other Long-Term Assets (spe			22
23	Other(specify): <u>Purch Option</u>	948,000		23
24	TOTAL Long-Term Assets (sum of lines 11 thru 23)	\$ 1,961,776	\$	24
25	TOTAL ASSETS (sum of lines 10 and 24)	\$ 3,606,763	\$	25

		1 Operating	2 After Consolidation*	
C. Current Liabilities				
26	Accounts Payable	\$ 1,144,926	\$	26
27	Officer's Accounts Payable	187,534		27
28	Accounts Payable-Patient Deposits			28
29	Short-Term Notes Payable			29
30	Accrued Salaries Payable	383,523		30
31	Accrued Taxes Payable (excluding real estate taxes)	62,863		31
32	Accrued Real Estate Taxes(Sch.IX-B)	264,700		32
33	Accrued Interest Payable			33
34	Deferred Compensation			34
35	Federal and State Income Taxes			35
Other Current Liabilities(specify):				
36	<u>Accr Exp/Insur, Due State, Sales Tax, etc.</u>	655,923		36
37				37
38	TOTAL Current Liabilities (sum of lines 26 thru 37)	\$ 2,699,469	\$	38
D. Long-Term Liabilities				
39	Long-Term Notes Payable			39
40	Mortgage Payable			40
41	Bonds Payable			41
42	Deferred Compensation			42
Other Long-Term Liabilities(specify):				
43	<u>Due to Affiliates</u>	11,270,636		43
44	<u>S/holder loans, Others</u>			44
45	TOTAL Long-Term Liabilities (sum of lines 39 thru 44)	\$ 11,270,636	\$	45
46	TOTAL LIABILITIES (sum of lines 38 and 45)	\$ 13,970,105	\$	46
47	TOTAL EQUITY(page 18, line 24)	\$ (10,363,342)	\$	47
48	TOTAL LIABILITIES AND EQUITY (sum of lines 46 and 47)	\$ 3,606,763	\$	48

*(See instructions.)

XVI. STATEMENT OF CHANGES IN EQUITY

		1 Total	
1	Balance at Beginning of Year, as Previously Reported	\$ (9,267,418)	1
2	Restatements (describe):		2
3	External audit adjustment made after 2006 cost report was	(95,389)	3
4	submitted. These have no effect on prior year's report:		4
5	Bad debt, Medicare Revenues (non allowables)		5
6	Balance at Beginning of Year, as Restated (sum of lines 1-5)	\$ (9,362,807)	6
	A. Additions (deductions):		
7	NET Income (Loss) (from page 19, line 43)	(1,000,535)	7
8	Aquisitions of Pooled Companies		8
9	Proceeds from Sale of Stock		9
10	Stock Options Exercised		10
11	Contributions and Grants		11
12	Expenditures for Specific Purposes		12
13	Dividends Paid or Other Distributions to Owners	()	13
14	Donated Property, Plant, and Equipment		14
15	Other (describe)		15
16	Other (describe)		16
17	TOTAL Additions (deductions) (sum of lines 7-16)	\$ (1,000,535)	17
	B. Transfers (Itemize):		
18			18
19			19
20			20
21			21
22			22
23	TOTAL Transfers (sum of lines 18-22)	\$	23
24	BALANCE AT END OF YEAR (sum of lines 6 + 17 + 23)	\$ (10,363,342)	24 *

* This must agree with page 17, line 47.

Facility Name & ID Number Alden Terrace of McHenry Rehabilitation

0040691

Report Period Beginning: 1/1/09

Ending:

12/31/09

XVII. INCOME STATEMENT (attach any explanatory footnotes necessary to reconcile this schedule to Schedules V and VI.) All required classifications of revenue and expense must be provided on this form, even if financial statements are attached.

Note: This schedule should show gross revenue and expenses. Do not net revenue against expense.

		1	
Revenue		Amount	
A. Inpatient Care			
1	Gross Revenue -- All Levels of Care	\$ 10,311,417	1
2	Discounts and Allowances for all Levels	()	2
3	SUBTOTAL Inpatient Care (line 1 minus line 2)	\$ 10,311,417	3
B. Ancillary Revenue			
4	Day Care		4
5	Other Care for Outpatients		5
6	Therapy	98,103	6
7	Oxygen	79,092	7
8	SUBTOTAL Ancillary Revenue (lines 4 thru 7)	\$ 177,195	8
C. Other Operating Revenue			
9	Payments for Education		9
10	Other Government Grants		10
11	CNA Training Reimbursements		11
12	Gift and Coffee Shop		12
13	Barber and Beauty Care	2,626	13
14	Non-Patient Meals		14
15	Telephone, Television and Radio		15
16	Rental of Facility Space		16
17	Sale of Drugs		17
18	Sale of Supplies to Non-Patients		18
19	Laboratory		19
20	Radiology and X-Ray		20
21	Other Medical Services	8,281	21
22	Laundry		22
23	SUBTOTAL Other Operating Revenue (lines 9 thru 22)	\$ 10,907	23
D. Non-Operating Revenue			
24	Contributions		24
25	Interest and Other Investment Income***	16,032	25
26	SUBTOTAL Non-Operating Revenue (lines 24 and 25)	\$ 16,032	26
E. Other Revenue (specify):****			
27	Settlement Income (Insurance, Legal, Etc.)		27
28	See Page 19A	1,958	28
28a			28a
29	SUBTOTAL Other Revenue (lines 27, 28 and 28a)	\$ 1,958	29
30	TOTAL REVENUE (sum of lines 3, 8, 23, 26 and 29)	\$ 10,517,509	30

		2	
Expenses		Amount	
A. Operating Expenses			
31	General Services	1,700,397	31
32	Health Care	4,265,117	32
33	General Administration	2,347,834	33
B. Capital Expense			
34	Ownership	2,186,077	34
C. Ancillary Expense			
35	Special Cost Centers	845,609	35
36	Provider Participation Fee	173,010	36
D. Other Expenses (specify):			
37			37
38			38
39			39
40	TOTAL EXPENSES (sum of lines 31 thru 39)*	\$ 11,518,044	40
41	Income before Income Taxes (line 30 minus line 40)**	(1,000,535)	41
42	Income Taxes		42
43	NET INCOME OR LOSS FOR THE YEAR (line 41 minus line 42)	\$ (1,000,535)	43

* This must agree with page 4, line 45, column 4.

** Does this agree with taxable income (loss) per Federal Income Tax Return? not yet done If not, please attach a reconciliation.

*** See the instructions. If this total amount has not been offset against interest expense on Schedule V, line 32, please include a detailed explanation.

****Provide a detailed breakdown of "Other Revenue" on an attached sheet.

STATE OF ILLINOIS

Facility Name & ID Number Alden Terrace of McHenry Rehabilitation and Hea # 004-0691 Report Period Beginning: 1/1/2009 Ending: 12/31/2009

Details of Page 19, Line 28

Misc Income (Med Records)	994.48
Misc Income (Jury Duty)	421.88
AP write off '05	541.45

Total	<u><u>1,957.81</u></u>
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Facility Name & ID Number Alden Terrace of McHenry Rehabilitation

0040691

Report Period Beginning:

1/1/09

Ending:

12/31/09

XVIII. A. STAFFING AND SALARY COSTS (Please report each line separately.)

(This schedule must cover the entire reporting period.)

	1	2**	3	4		
	# of Hrs. Actually Worked	# of Hrs. Paid and Accrued	Reporting Period Total Salaries, Wages	Average Hourly Wage		
1	Director of Nursing	2,080	2,080	\$ 83,486	\$ 40.14	1
2	Assistant Director of Nursing	1,624	1,653	56,668	34.28	2
3	Registered Nurses	35,654	38,290	1,190,793	31.10	3
4	Licensed Practical Nurses	23,213	25,077	655,670	26.15	4
5	CNAs & Orderlies	89,237	95,896	1,331,831	13.89	5
6	CNA Trainees					6
7	Licensed Therapist					7
8	Rehab/Therapy Aides					8
9	Activity Director	2,072	2,072	32,835	15.85	9
10	Activity Assistants	3,797	4,023	48,904	12.16	10
11	Social Service Workers	3,503	3,663	64,969	17.74	11
12	Dietician					12
13	Food Service Supervisor	2,080	2,080	42,463	20.41	13
14	Head Cook					14
15	Cook Helpers/Assistants	23,238	25,055	240,690	9.61	15
16	Dishwashers					16
17	Maintenance Workers	2,080	2,080	40,071	19.26	17
18	Housekeepers	20,705	22,110	203,725	9.21	18
19	Laundry	8,385	8,719	81,644	9.36	19
20	Administrator	2,080	2,080	70,192	33.75	20
21	Assistant Administrator	1,600	1,600	47,610	29.76	21
22	Other Administrative	7,736	7,800	221,772	28.43	22
23	Office Manager	2,056	2,080	24,691	11.87	23
24	Clerical	2,633	2,781	23,419	8.42	24
25	Vocational Instruction					25
26	Academic Instruction					26
27	Medical Director					27
28	Qualified MR Prof. (QMRP)					28
29	Resident Services Coordinator	4,120	4,120	145,352	35.28	29
30	Habilitation Aides (DD Homes)					30
31	Medical Records					31
32	Other Health Care Behavioral Clinica	6,198	6,350	117,396	18.49	32
33	Other(specify) Alzheimers Superv	9,125	9,581	108,351	11.31	33
34	TOTAL (lines 1 - 33)	253,216	269,190	\$ 4,832,532 *	\$ 17.95	34

* This total must agree with page 4, column 1, line 45.

** See instructions.

B. CONSULTANT SERVICES

	1	2	3		
	Number of Hrs. Paid & Accrued	Total Consultant Cost for Reporting Period	Schedule V Line & Column Reference		
35	Dietary Consultant	Monthly	\$ 10,800	1-3	35
36	Medical Director	Monthly	32,300	10-3	36
37	Medical Records Consultant				37
38	Nurse Consultant	Monthly	7,584	10-3	38
39	Pharmacist Consultant				39
40	Physical Therapy Consultant				40
41	Occupational Therapy Consultant				41
42	Respiratory Therapy Consultant				42
43	Speech Therapy Consultant				43
44	Activity Consultant	12	3,112	11-3	44
45	Social Service Consultant	12	1,068	11-3	45
46	Other(specify)				46
47					47
48					48
49	TOTAL (lines 35 - 48)	24	\$ 54,864		49

C. CONTRACT NURSES

	1	2	3	
	Number of Hrs. Paid & Accrued	Total Contract Wages	Schedule V Line & Column Reference	
50	Registered Nurses			50
51	Licensed Practical Nurses			51
52	Certified Nurse Assistants/Aides			52
53	TOTAL (lines 50 - 52)		\$	53

XIX-H. SUPPORT SCHEDULE - DEFERRED MAINTENANCE COSTS (which have been included in Sch. V, line 6, col. 3).
(See instructions.)

	1	2	3	4	5	6	7	8	9	10	11	12	13
	Improvement Type	Month & Year Improvement Was Made	Total Cost	Useful Life	Amount of Expense Amortized Per Year								
					FY2006	FY2007	FY2008	FY2009	FY2010	FY2011	FY2012	FY2013	FY2014
1	ABC - Painting Ceiling Ti	4/26/06	\$ 2,004	3	\$ 445	\$ 668	\$ 668	\$ 223	\$	\$	\$	\$	\$
2													
3													
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18													
19													
20	TOTALS		\$ 2,004		\$ 445	\$ 668	\$ 668	\$ 223	\$	\$	\$	\$	\$

Facility Name & ID Number Alden Terrace of McHenry Rehabilitation

0040691

Report Period Beginning:

1/1/09

Ending: 12/31/09

XX. GENERAL INFORMATION:

- (1) Are nursing employees (RN,LPN,NA) represented by a union? Yes
- (2) Are there any dues to nursing home associations included on the cost report? Yes
If YES, give association name and amount. IHCA=\$ 8,500
- (3) Did the nursing home make political contributions or payments to a political action organization? Yes If YES, have these costs been properly adjusted out of the cost report? Yes
- (4) Does the bed capacity of the building differ from the number of beds licensed at the end of the fiscal year? No If YES, what is the capacity? _____
- (5) Have you properly capitalized all major repairs and equipment purchases? Yes
What was the average life used for new equipment added during this period? 10 yrs
- (6) Indicate the total amount of both disposable and non-disposable diaper expense and the location of this expense on Sch. V. \$ 49,339 Line 10
- (7) Have all costs reported on this form been determined using accounting procedures consistent with prior reports? Yes If NO, attach a complete explanation.
- (8) Are you presently operating under a sale and leaseback arrangement? No
If YES, give effective date of lease. _____
- (9) Are you presently operating under a sublease agreement? _____ YES X NO
- (10) Was this home previously operated by a related party (as is defined in the instructions for Schedule VII)? YES _____ NO X If YES, please indicate name of the facility, IDPH license number of this related party and the date the present owners took over.

- (11) Indicate the amount of the Provider Participation Fees paid and accrued to the Department during this cost report period. \$ 173,010
This amount is to be recorded on line 42 of Schedule V.
- (12) Are there any salary costs which have been allocated to more than one line on Schedule V for an individual employee? No If YES, attach an explanation of the allocation.
- (13) Have costs for all supplies and services which are of the type that can be billed to the Department, in addition to the daily rate, been properly classified in the Ancillary Section of Schedule V? Yes
- (14) Is a portion of the building used for any function other than long term care services for the patient census listed on page 2, Section B? No For example, is a portion of the building used for rental, a pharmacy, day care, etc.) If YES, attach a schedule which explains how all related costs were allocated to these functions.
- (15) Indicate the cost of employee meals that has been reclassified to employee benefits on Schedule V. \$ 44,064 Has any meal income been offset against related costs? No Indicate the amount. \$ n/a
- (16) Travel and Transportation
a. Are there costs included for out-of-state travel? No
If YES, attach a complete explanation.
b. Do you have a separate contract with the Department to provide medical transportation for residents? No If YES, please indicate the amount of income earned from such a program during this reporting period. \$ _____
c. What percent of all travel expense relates to transportation of nurses and patients? 0
d. Have vehicle usage logs been maintained? No
e. Are all vehicles stored at the nursing home during the night and all other times when not in use? No
f. Has the cost for commuting or other personal use of autos been adjusted out of the cost report? Yes
g. Does the facility transport residents to and from day training? No
Indicate the amount of income earned from providing such transportation during this reporting period. \$ 0
- (17) Has an audit been performed by an independent certified public accounting firm? No
Firm Name: _____
- (18) Have all costs which do not relate to the provision of long term care been adjusted out of Schedule V? Yes
- (19) If total legal fees are in excess of \$5,000, have legal invoices and a summary of services performed been attached to this cost report? Yes
Attach invoices and a summary of services for all architect and appraisal fees.